

By: Perry

H.B. No. 2688

A BILL TO BE ENTITLED

AN ACT

relating to Seminole Hospital District of Gaines County, Texas.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1094.051, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.051. BOARD ELECTION; TERM. (a) The board consists of four directors elected from single-member districts and three ~~seven~~ directors elected from the district at large.

(b) ~~[Unless four-year terms are established under Section 285.081, Health and Safety Code,~~ Directors serve staggered three-year ~~two-year~~ terms.

SECTION 2. Section 1094.052, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.052. NOTICE OF ELECTION. Notice ~~[At least 10 days before the date]~~ of an election of directors~~[, notice of the election]~~ shall be published in accordance with Section 4.003, Election Code ~~[one time]~~ in a newspaper of general circulation in Gaines County.

SECTION 3. Section 1094.053, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.053. BALLOT APPLICATION ~~[PETITION]~~. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary an application in accordance with Chapter 144, Election Code ~~[a petition requesting~~

1 ~~that action. The petition must be:~~

2 ~~(1) signed by at least 25 voters, and~~

3 ~~(2) filed at least 25 days before the date of the~~
4 ~~election].~~

5 SECTION 4. Section 1094.103, Special District Local Laws
6 Code, is amended to read as follows:

7 Sec. 1094.103. OVERSIGHT AND ~~[MANAGEMENT]~~ CONTROL ~~[AND~~
8 ~~ADMINISTRATION]~~. The board shall oversee and ~~[manage]~~ control~~[,~~
9 ~~and administer]~~ the hospital system and the district's money and
10 resources.

11 SECTION 5. Section 1094.110, Special District Local Laws
12 Code, is amended to read as follows:

13 Sec. 1094.110. CONSTRUCTION ~~[OR PURCHASE]~~ CONTRACTS. A
14 construction ~~[or purchase]~~ contract that involves the expenditure
15 of more than the amount provided by Section 271.024, Local
16 Government Code ~~[\$2,000]~~ may be made only after advertising in the
17 manner provided by Subchapter B, Chapter 271 ~~[Chapter 252 and~~
18 ~~Subchapter C, Chapter 262]~~, Local Government Code.

19 SECTION 6. Section 1094.202, Special District Local Laws
20 Code, is amended by amending subsections (c) and (d) to read as
21 follows:

22 (c) Any resident ~~[property taxpayer]~~ of the district is
23 entitled to be present and participate in the hearing.

24 (d) At the conclusion of the hearing, the board shall adopt
25 a budget by acting on the budget proposed by the district
26 administrator. The board may make any changes in the proposed
27 budget that the board judges to be in the interest of the residents

1 of the district [~~taxpayers~~] and that the law warrants.

2 SECTION 7. Section 1094.205, Special District Local Laws
3 Code, is amended to read as follows:

4 Sec. 1094.205. FISCAL YEAR. (a) The district operates
5 according to a fiscal year that begins on October 1 and ends on
6 September 30, or as established by the board.

7 (b) The fiscal year may not be changed if revenue bonds of
8 the district are outstanding or more than once in a 24-month period.

9 SECTION 8. Section 1094.209, Special District Local Laws
10 Code, is amended by amending subsection (a) to read as follows:

11 (a) The board shall select one or more banks [~~in the~~
12 ~~district~~] to serve as a depository for district money.

13 SECTION 9. Section 1094.253(b), Special District Local Laws
14 Code, is amended to read as follows:

15 (b) The order calling the election shall provide for clerks
16 as in county elections and must specify:

- 17 (1) the date of the election;
- 18 (2) the location of the polling places;
- 19 (3) the presiding and alternate election judges for
20 each polling place;
- 21 (4) the amount of the bonds to be authorized;
- 22 (5) the maximum maturity [~~interest rate~~] of the bonds.

23 SECTION 10. Section 1094.254, Special District Local Laws
24 Code, is amended to read as follows:

25 Sec. 1094.254. MATURITY OF GENERAL OBLIGATION BONDS.
26 District general obligation bonds must mature not later than the
27 maximum maturity stated in the order calling the election [~~40 years~~

1 ~~after the date of issuance].~~

2 SECTION 11. Section 1094.259, Special District Local Laws
3 Code, is added to read as follows:

4 Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF
5 BONDS. In addition to the authority to issue general obligation
6 bonds and revenue bonds under this subchapter, the board may
7 provide for the security and payment of district bonds from a pledge
8 of a combination of ad valorem taxes as authorized by Section
9 1094.251 and revenue and other sources as authorized by Section
10 1094.256.

11 SECTION 12. Section 1094.260, Special District Local Laws
12 Code, is added to read as follows:

13 Sec. 1094.260. USE OF BOND PROCEEDS. The district may use
14 the proceeds of bonds issued under this subchapter to pay:

15 (1) any expense the board determines is reasonable and
16 necessary to issue, sell, and deliver the bonds;

17 (2) interest payments on the bonds during a period of
18 acquisition or construction of a project or facility to be provided
19 through the bonds, not to exceed five years;

20 (3) costs related to the physical maintenance of a
21 project or facility to be provided through the bonds:

22 (A) during an estimated period of acquisition or
23 construction, not to exceed five years; and

24 (B) for one year after the project or facility is
25 acquired or constructed;

26 (4) costs related to the financing of the bond funds,
27 including debt service reserve and contingency funds;

1 (1) the nature of the election, including the
2 proposition to appear on the ballot;

3 (2) the date of the election;

4 (3) the hours during which the polls will be open; and

5 (4) the location of the polling places.

6 (d) Section 41.001, Election Code, does not apply to an
7 election ordered under this section.

8 Sec. 1094.402. NOTICE OF ELECTION. (a) The board shall give
9 notice of an election under this subchapter by publishing once a
10 week for two consecutive weeks a substantial copy of the election
11 order in a newspaper with general circulation in the district.

12 (b) The first publication of the notice must appear not
13 later than the 35th day before the date set for the election.

14 Sec. 1094.403. BALLOT. The ballot for an election under
15 this subchapter must be printed to permit voting for or against the
16 proposition: "The dissolution of the Seminole Hospital District of
17 Gaines County, Texas."

18 Sec. 1094.404. ELECTION RESULTS. (a) If a majority of the
19 votes in an election under this subchapter favor dissolution, the
20 board shall find that the district is dissolved.

21 (b) If a majority of the votes in the election do not favor
22 dissolution, the board shall continue to administer the district
23 and another election on the question of dissolution may not be held
24 before the first anniversary of the date of the most recent election
25 to dissolve the district.

26 Sec. 1094.405. TRANSFER OR ADMINISTRATION OF ASSETS. (a)
27 If a majority of the votes in the election held under this

1 subchapter favor dissolution, the board shall:

2 (1) transfer the land, buildings, improvements,
3 equipment, and other assets that belong to the district to Gaines
4 County or another governmental entity in Gaines County; or

5 (2) administer the property, assets, and debts until
6 all money has been disposed of and all district debts have been paid
7 or settled.

8 (b) If the district makes the transfer under Subsection
9 (a)(1), the county or entity assumes all debts and obligations of
10 the district at the time of the transfer, and the district is
11 dissolved.

12 (c) If Subsection (a)(1) does not apply and the board
13 administers the property, assets, and debts of the district under
14 Subsection (a)(2), the district is dissolved when all money has
15 been disposed of and all district debts have been paid or settled.

16 Sec. 1094.406. IMPOSITION OF TAX AND RETURN OF SURPLUS
17 TAXES. (a) After the board finds that the district is dissolved,
18 the board shall:

19 (1) determine the debt owed by the district; and

20 (2) impose on the property included in the district's
21 tax rolls a tax that is in proportion of the debt to the property
22 value.

23 (b) On the payment of all outstanding debts and obligations
24 of the district, the board shall order the secretary to return to
25 each district taxpayer the taxpayer's pro rata share of all unused
26 tax money.

27 (c) A taxpayer may request that the taxpayer's share of

1 surplus tax money be credited to the taxpayer's county taxes. If a
2 taxpayer requests the credit, the board shall direct the secretary
3 to transmit the money to the county tax assessor-collector.

4 Sec. 1094.407. REPORT; DISSOLUTION ORDER. (a) After the
5 district has paid all district debts and has disposed of all
6 district money and other assets as prescribed by this subchapter,
7 the board shall file a written report with the Commissioners Court
8 of Gaines County summarizing the board's actions in dissolving the
9 district.

10 (b) Not later than the 10th day after the date the
11 Commissioners Court of Gaines County receive the report and
12 determines that the requirements of this subchapter have been
13 fulfilled, the commissioners court shall enter an order dissolving
14 the district and releasing the board from any further duty or
15 obligation.

16 SECTION 15. The directors elected to Places 3 and 4 in the
17 election to be held by the district in 2015 shall each serve for a
18 two-year term, and their successors shall serve for three-year
19 terms.

20 SECTION 16. This act takes effect immediately if it
21 receives a vote of two-thirds of all the members elected to each
22 house, as provided by Section 39, Article III, Texas Constitution.
23 If this act does not receive the vote necessary for immediate
24 effect, this act takes effect September 1, 2013.